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U.S. COTTON SUPPLY RESPONSE UNDER THE 2002 FARM ACT

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Introduction

The Farm Security and Rural Investment Act of 2002 (2002 Farm Act) was enacted in May of 2002. While this new farm law introduced some new policies to the array of agricultural commodity programs, in many ways the 2002 Farm Act extended provisions of the 1996 Farm Act and institutionalized provisions of ad hoc emergency spending bills of 1998-2001.

Three key commodity program features of the 2002 Farm Act are marketing assistance loans, counter-cyclical payments, and direct payments. Marketing assistance loans existed under previous U.S. farm law, direct payments replaced production flexibility contract payments of the 1996 Farm Act, and counter-cyclical payments are intended to institutionalize the market loss assistance payments of the past several years.

This paper discusses these policy features of the 2002 Farm Act and some of their potential impacts on agricultural markets, with a focus on upland cotton. An overview of these program provisions from the new law is first presented. This is followed by a discussion of some of the income support properties of these programs, using illustrations of a cotton farm's sources of revenues under the new farm act. Then a general discussion of some of the potential avenues for these programs to influence production decisions is given. Implications for 2003 plantings for upland cotton are then presented, using an acreage response forecasting model that bases land use allocation decisions on farmers' expected net returns.

Overview of Major Commodity Provisions of the 2002 Farm Act

Three major commodity programs in the 2002 Farm Act for crops are marketing assistance loans, counter-cyclical payments, and direct payments.

Marketing assistance loans

Marketing loan provisions of the 2002 Farm Act extended those of the 1996 Farm Act. Loan rates were raised for most crops covered under the previous legislation, although loan rates for soybeans were lowered and loan rates for rice were not changed. Marketing loan provisions were added for new commodities, including peanuts, wool, mohair, dry edible peas, lentils, and small chickpeas. Additionally, implementation of the new farm act introduced different loan rates for 5 classes of wheat and for the different minor oilseeds.

Marketing loans provide benefits to farmers of loan commodities through loan deficiency payments and marketing loan gains when market prices are low. Marketing loans also reduce revenue risk associated with price variability. Farmers may receive a loan from the Government at a commodity-specific loan

rate by pledging their production of the loan commodity as collateral. They may repay the loan at a lower repayment rate at any time during the loan period that market prices are below the loan rate. Alternatively, farmers of commodities covered by the loan programs (except extra-long staple cotton) may choose to receive marketing loan benefits through direct loan deficiency payments (LDP). The LDP option allows the producer to receive marketing loan benefits without having to take out and subsequently repay a commodity loan. The LDP rate is equivalent to the marketing loan gain that farmers could obtain for production placed under loan.

Marketing loan benefits are available on all current production of eligible loan commodities, and benefits are linked to market prices. Marketing loans are thus considered to be fully coupled, potentially having a direct effect on production decisions of farmers.

Counter-cyclical payments

Counter-cyclical payments (CCPs) under the 2002 Farm Act are available for wheat, feed grains, upland cotton, rice, soybeans, minor oilseeds, and peanuts when market prices are below levels set forth in the legislation. Under the new law, a target price is established for each crop, as well as a fixed payment rate for direct payments. When the higher of the loan rate or the season average price plus the direct payment rate is below the target price, a counter-cyclical payment is made, at a rate equal to that difference. Equivalently, CCPs are made when the higher of the loan rate or the season average price is below the target price minus the direct payment rate.

For example, the upland cotton target price for 2003 is \$0.724 a pound, the direct payment rate is \$0.0667 a pound, and the loan rate is \$0.52 a pound. If the season average price for upland cotton is \$0.55 a pound (above the loan rate), the \$0.724 target price minus \$0.6167 (\$0.55 price plus \$0.0667 direct payment rate) gives a \$0.1073 CCP payment rate. This payment rate can be alternatively expressed as \$0.6573 (the \$0.724 target price minus the \$0.0667 direct payment rate) minus the \$0.55 season average price. This alternative expression indicates that the price cutoff where the CCP payment rate becomes zero is at \$0.6573, not the \$0.724 target price. Thus, when the season average price is above \$0.6573 (the target price minus the fixed direct payment rate), no counter-cyclical payment is made. When the season average price is below the target price minus the fixed direct payment rate, a counter-cyclical payment is made, with the CCP payment rate increasing as prices fall. The maximum CCP payment rate is attained when prices are at or below the loan rate.

CCPs are paid on a portion of historical acreage (85 percent of base acreage) and on historically-based program yields and, thus, are not affected by a farmer's current production. Consequently, CCPs are largely decoupled from an individual farmer's planting decisions. However, the link of counter-cyclical payments to market prices may affect revenue risk and may make these payments partly coupled to production decisions.

Direct payments

Direct payments under the 2002 Farm Act are similar to production flexibility contract payments of the 1996 Farm Act. The payment rate for direct payments is fixed for each crop (\$0.0667 a pound for upland cotton) and is not affected by current production or by current market prices. Direct payments to farmers are based on historical acreage (85 percent of base acreage) and on historically-based program yields. These payments are the most decoupled from planting decisions of the three programs, although there may be some small effects on production through increased wealth and investment.

Income Support Under the 2002 Farm Act Upland Cotton Illustrations

Upland cotton market revenues and program payments at different price levels illustrate some of the properties of income-support provisions of the 2002 Farm Act (figures 1-3). Revenue calculations for these examples are for 100 acres of upland cotton and assume 100 acres of upland cotton base, as well. Cotton yields of 640 pounds an acre are assumed, with a program-payment yield of 605 pounds an acre used for direct payments and a CCP program yield of 625 pounds an acre. In this example, the farmer is assumed to plant the same crop as the acreage base.

Revenues from decoupled payments

Figure 1 focuses on direct payments and counter-cyclical payments. These payments are decoupled from current production because the payments are made on 85 percent of the upland cotton base acreage and on fixed payment yields regardless of whether upland cotton is planted on the land.

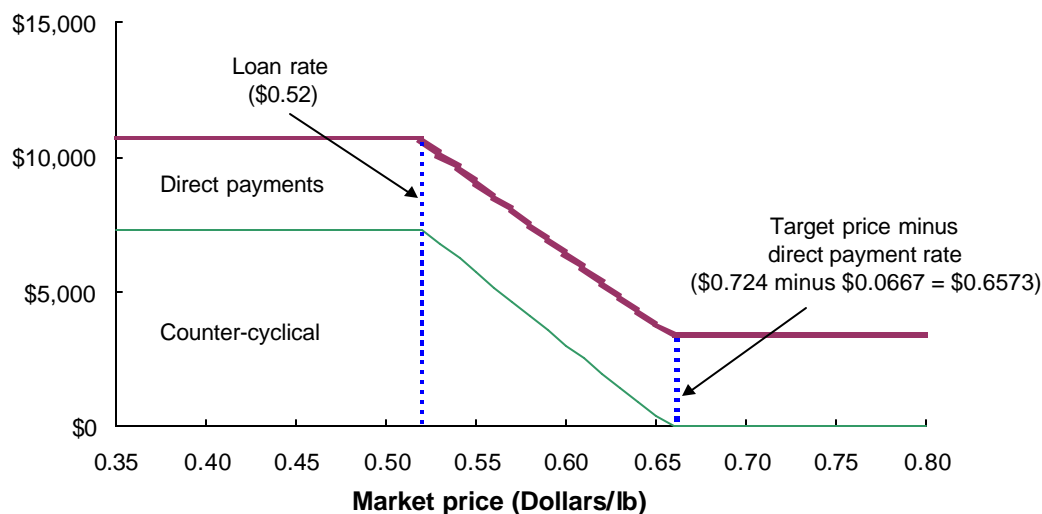
CCPs are provided when prices are below the target price minus the fixed direct payment rate (\$0.724 minus \$0.0667, or \$0.6573, for upland cotton). Payments increase as prices decline below \$0.6573 until prices reach the loan rate (\$0.52 for upland cotton). For prices below the loan rate, counter-cyclical payments are at their maximum and do not change.

Direct payments in figure 1 are fixed at \$0.0667 a pound for upland cotton.

Figure 1

Counter-cyclical and direct payments for cotton under the 2002 Farm Act

Decoupled payments



Assumes 100 acres cotton, 100 acres cotton base, 640 lbs/acre yield,
605 lbs/acre direct payment yield, 625 lbs/acre counter-cyclical payment yield.

Market revenues and program payments, basic case

Figure 2 shows all revenue sources for this upland cotton farm situation in which the farmer is assumed to plant the same crop as the acreage base. In this illustration, market receipts and fully coupled marketing loan benefits for the farm are combined with the decoupled payments of figure 1. The portions of figure 2 labeled “Market revenue” represents receipts from the marketplace, which increase as market prices rise.

The triangle labeled “LDP/MLG” in figure 2 represents marketing loan benefits in the form of loan deficiency payments (LDPs) and/or marketing loan gains (MLGs) that supplement market revenues at market prices below the \$0.52 loan rate for upland cotton. As prices fall below the loan rate, marketing loan benefits rise and fully offset declines in market revenues since these program benefits are available for all production.

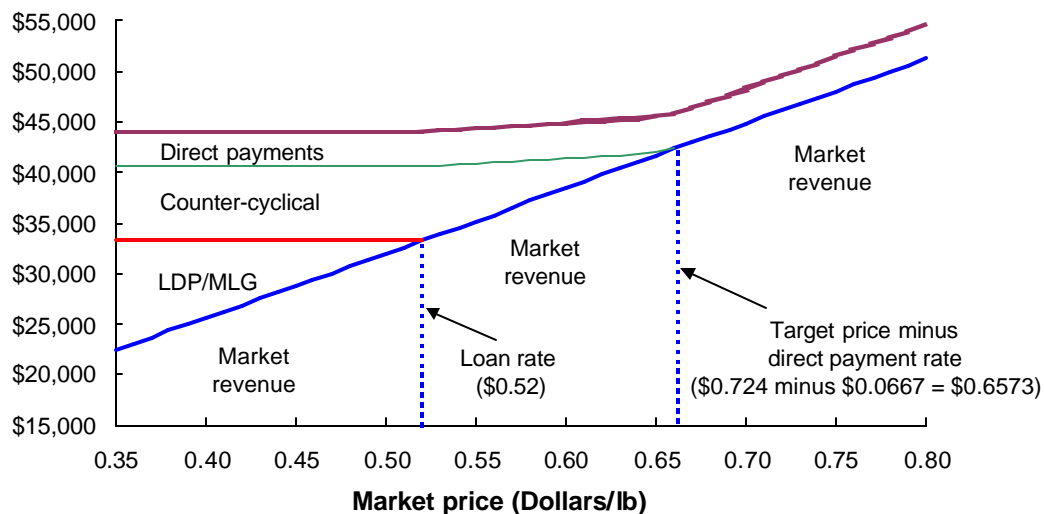
The area labeled “Counter-cyclical” represents the counter-cyclical payments under the 2002 Farm Act. As shown in figure 1, counter-cyclical payments are linked to market prices, with payments provided when prices are below the target price minus the direct payment rate (\$0.6573 a pound for upland cotton). Again, CCPs change in the price range from the \$0.52 upland cotton loan rate to \$0.6573. Counter-cyclical payments do not fully offset reductions in market revenues as prices fall within this price range because payments are on 85 percent of the acreage base and are paid on CCP program yields rather than actual yields.

The area of figure 2 labeled “Direct payments” are fixed payments of \$0.0667 a pound for upland cotton, paid on 85 percent of the acreage base and a direct payment program yield. These payments do not change with market prices or the farm’s production.

Figure 2

Cotton revenues under the 2002 Farm Act

Cotton revenues



Assumes 100 acres cotton, 100 acres cotton base, 640 lbs/acre yield, 605 lbs/acre direct payment yield, 625 lbs/acre counter-cyclical payment yield.

Marketing loan benefits and counter-cyclical payments likely to overlap

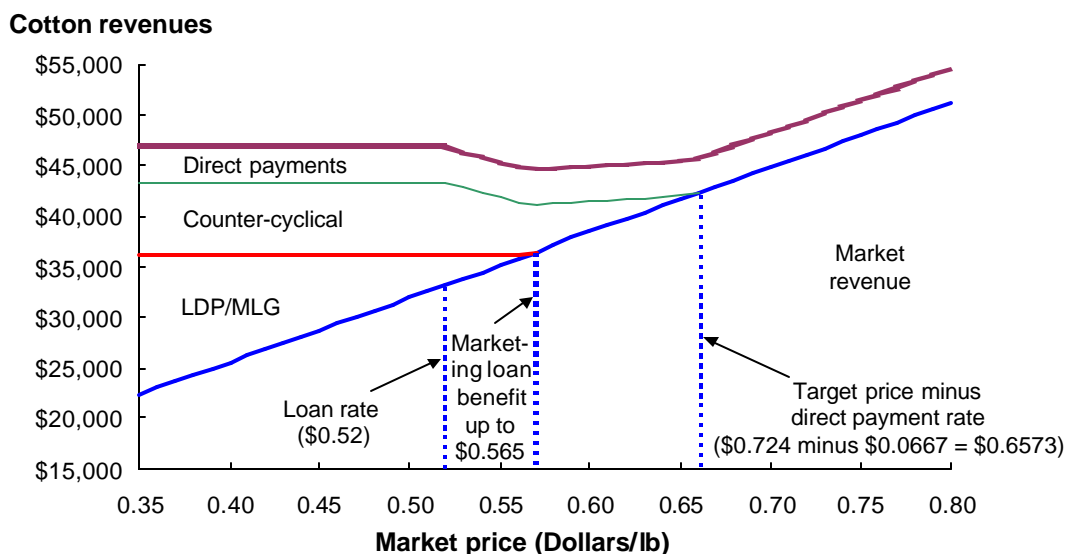
Additional interesting properties of these farm act provisions can also result from the interaction of these income support measures in some price ranges. Figure 3 extends the analysis of figure 2 to illustrate that counter-cyclical payments are likely to overlap with counter-cyclical aspects of marketing loan benefits in certain price ranges. In figure 2, marketing loan benefits are assumed only for prices below the loan rate. However, marketing loans have enabled farmers to attain per-unit revenues that, on average, exceed commodity loan rates when prices are relatively low. Many farmers use a two-step marketing procedure in which they receive program benefits when prices are seasonally low (and marketing loan benefits high) and then sell the crop later in the marketing year when prices have risen. In addition, for upland cotton, use of the adjusted world price as the repayment rate for marketing loans and to calculate loan deficiency payment rates also may add to total revenues of producers, reflecting any difference between that price and the domestic price received by farmers.

Figure 3 includes a representative level of 4.5 cents a pound for upland cotton for the expected above-loan-rate revenue facilitated by marketing loans when prices are low, based on the experience of recent years. Realized, average per-unit revenue (market revenue plus the average marketing loan benefit per pound) for upland cotton was about \$0.564 to \$0.565 in 2000 and 2001, or about \$0.045 to \$0.046 above the \$0.5192 loan rate for those years.

If marketing loans for upland cotton continue to provide this level of above-loan-rate revenue when prices are low, counter-cyclical payments overlap with counter-cyclical aspects of marketing loan benefits in the price range from \$0.52 to \$0.565, in effect providing two counter-cyclical benefits to farmers. As prices rise in this price range, both counter-cyclical payments and marketing loan benefits decline, with total revenues falling.

Figure 3

Cotton revenues under the 2002 Farm Act, with above-loan-rate marketing loan benefit



Assumes 100 acres cotton, 100 acres cotton base, 640 lbs/acre yield,
605 lbs/acre direct payment yield, 625 lbs/acre counter-cyclical payment yield.
Assumes per-unit revenue facilitated by marketing loans exceeds loan rate by an average of 4.5 cents/lb.

Potential Effects of 2002 Farm Act on Agricultural Production

Potential influences of the 2002 Farm Act on agricultural commodity markets involve the interaction of various types of programs that may have direct and indirect influences on production, particularly effects of marketing loans, counter-cyclical payments, and direct payments. While marketing loans benefits are fully coupled, less direct market impacts may result from the other income support programs. Some of the issues in assessing effects of the 2002 Farm Act relate to whether various types of income-support programs that provide program benefits that are decoupled from a producer's current levels of production may, nonetheless, provide indirect incentives that influence production decisions and overall output. Although qualitative arguments suggest that counter-cyclical payments and direct payments could have some indirect influences on production, those effects are likely to be relatively small. This is particularly the case when one considers the farm household as the decision-making entity, rather than only the farm operation, with a wide array of consumption, savings, nonagricultural and agricultural investment, and off-farm and on-farm labor allocations that may adjust in response to decoupled payments (Burfisher and Hopkins).

Marketing loan effects

Marketing loan benefits are based on current production and market prices and thus have the most potential to influence production decisions of farmers, particularly when prices are relatively low.

Table 1 shows marketing assistance loan rates for upland cotton and competing crops under the 2002 Farm Act compared with 2001 loan rates under previous legislation. The loan rate for upland cotton was raised slightly under the new legislation. Loan rates for sorghum, wheat, and corn were raised relatively more than for cotton, but the loan rate for soybeans was lowered.

Table 1

Marketing assistance loan rates, selected crops,
2002 Farm Act and 2001 rates

Crop	2001	2002-2003	2004-2007
Upland cotton (\$/lb)	0.5192	0.52	0.52
Sorghum (\$/bu)	1.71	1.98	1.95
Wheat (\$/bu)	2.58	2.80	2.75
Corn (\$/bu)	1.89	1.98	1.95
Soybeans (\$/bu)	5.26	5.00	5.00

Counter-cyclical payment effects

Counter-cyclical payments under the 2002 Farm Act do not change with a farmer's current production since they are paid on a constant, pre-determined quantity for the farm (equal to 85 percent of a fixed acreage base times a fixed CCP payment yield). Although the updating of base acreage and the updating of yields used for CCPs will result in greater CCP payment quantities than otherwise, the expected marginal revenue of a farmer's additional current output is the expected market price (augmented by marketing loan benefits when prices are relatively low), so counter-cyclical payments do not affect production directly through expected net returns.

However, because counter-cyclical payments are linked to market prices, they may influence production decisions indirectly by reducing total and per unit revenue risk associated with price variability in some situations. In the price range from the loan rate up to the target price minus the direct payment rate, changes in producer revenues due to changes in market prices are partly offset by the counter-cyclical payments if the base acreage crop is planted (or a crop with highly correlated prices with the base acreage crop), thereby reducing total revenue risk associated with price variability.

If there is value to the farmer in reducing the variability of expected revenues (such as for a risk-averse producer or their risk-averse lender), the negative correlation between the expected counter-cyclical payments for the program crop and the expected market revenues for the same crop (or for a highly price-correlated alternative crop) may have some influence on production choices. This revenue stabilization consideration would supplement the typical profit maximization incentive underlying planting decisions.

The revenue risk reduction of CCPs provides a new risk management instrument to farmers, which may lead to adjustments in their use of alternative farm and nonfarm risk management strategies. For risk-averse farmers, the revenue risk reduction provided by counter-cyclical payments may, in some cases, encourage farmers to plant the program crop for which they have base acreage (or a crop for which prices are highly correlated to those of the program crop). If the base acreage crop is planted, the season average market price of the crop produced would be the same price used to determine the counter-cyclical payment, so the reduction in variability of total revenues due to CCPs is most direct. Alternatively, because CCPs reduce overall revenue risk, a farmer may switch some land to riskier crops that provide higher mean expected returns but also higher variability of those returns.

Two extensions of this general discussion of CCPs are important for upland cotton. First, State-level prices for upland cotton in cotton-producing States (as a proxy for local, farm-level prices) are highly correlated with the national price for upland cotton. Thus, cotton CCPs are likely to provide price risk protection to individual farmers who plant cotton on their cotton base acres. However, prices of competing crops are not highly correlated with cotton prices, so cotton CCPs would not provide much cross-commodity price variability protection if cotton base acreage were switched to an alternative crop. This suggests that price risk protection of cotton CCPs may, in some circumstances (in some market price situations and for some farmers), keep cotton base acreage planted to cotton. (This contrasts with the situation for corn and soybeans, for example, in States such as Iowa and Illinois, which have relatively high cross-commodity price correlations.)

Second, while CCPs may protect against price risk in some price ranges, as long as prices for upland cotton are below the loan rate, CCPs will be at their maximum level, and thus may act more like fixed payments.

While this discussion provides qualitative arguments for counter-cyclical payments to have some influence on agricultural production, the magnitude of the effects is an empirical issue and a topic for further research. Although expected net returns would likely remain a dominant consideration in cropping choices for most situations, revenue risk reduction provided by counter-cyclical payments would be likely to have the greatest potential to affect production choices for risk-averse producers.

Direct payment effects

Direct payments are largely decoupled since program benefits do not depend on the farmer's production or market conditions, and the payments do not affect per unit returns. However, direct payments are tied to acreage, so these benefits will be capitalized into farmland values, thereby increasing aggregate producer wealth. Mechanisms for direct payments to potentially affect production decisions are (1) a direct wealth effect through risk aversion reduction, and (2) a wealth-facilitated increased investment effect partly reflecting reduced credit constraints.

Direct payments increase farmers' wealth, reflecting gains in farm sector equity that result from the capitalization of expected future farm program benefits into the value of farmland. These payments may affect production somewhat if the changes in wealth influence farmers' perception of, attitudes toward, and responses to potential financial risks associated with production alternatives. If payments raise producers' wealth and lower their risk aversion, they may take on more risk in their production choices. This may entail a choice to increase overall production and may also change the mix of production, perhaps switching to riskier crops with higher mean (but more variable) expected returns.

Higher cash flow provided by direct payments and higher net worth resulting from these benefits can also facilitate additional agricultural production through increases in agricultural investment if farmers otherwise face credit constraints or limited liquidity. Some of the payments are likely to go to consumption, savings, and nonagricultural investments, with the largest share typically going to consumption. However, agricultural investment can also rise for farmers who were credit constrained, as lenders may be more willing to make loans to farmers with higher guaranteed incomes, higher farm equity, and lower risk of default. Greater loan availability facilitates additional agricultural production by allowing these farmers to more easily invest in profitable opportunities on their farm operations. Additionally, the reduced risk of default could lead to lower interest rates on loans to farmers, also facilitating an increase in investment in farm operations.

For some farmers, increased liquidity provided by the payments also may reduce the need for obtaining loans for short-term operating costs or for longer term farm-related investments. While there would be opportunity costs associated with self-financing and using these funds in the farm operation, those opportunity costs would be lower than commercial loan expenses. This lower cost of capital could lead to an increase in the overall size of the current operation and could raise the level of investment in the farm, both of which would increase farm output.

To the extent that direct payments influence production through these wealth and investment mechanisms, they would do so similarly to the decoupled production flexibility contract payments under the 1996 Farm Act. A recent study (Burfisher and Hopkins) using farm household survey data concludes that production flexibility contract payments improved the well-being of recipients, enabling increased consumption, savings, investment, and leisure by households, but with minimal effects on agricultural production. Further, since the overall average annual magnitudes of direct payments and production flexibility contract payments are comparable at about \$5 billion, no new effects are anticipated under the 2002 Farm Act. Similarly, projected annual direct payments for upland cotton under the 2002 Farm Act also are about the same as average annual production flexibility contract payments made for upland cotton.

Implications for Upland Cotton Acreage in 2003

Farmers respond to expected net returns in their land use decisions. As such, upland cotton plantings in 2003 will reflect 3 main factors. First, market prices and expected net returns for cotton and for competing crops will provide economic incentives for farmers to choose among different cropping alternatives. Second, policy influences, particularly of marketing loans, will augment expected net returns from the marketplace for upland cotton and, thus, may influence planting decisions. Third, the responsiveness of cotton plantings to net returns for cotton and to net returns for competing crops will combine with the market signals and policy influences to shape the final outcome.

Market price and marketing loan benefit incentives

Prices for upland cotton are currently stronger than a year ago. Monthly prices received by farmers recently have been 10 to 15 cents a pound higher than the same month in the previous year. Also, USDA's year-to-date, weighted-average price, as reported in the February 2003 *World Agricultural Supply And Demand Estimates* report (USDA, OCE, 2003b), was 40.5 cents a pound, exceeding both the 32.4 cent year-to-date price available in February last year and the 2001/02 season average price of 29.8 cents a pound. Despite these increases, upland cotton prices remain below the 52 cent loan rate, so increased planting incentives related to higher prices are offset by correspondingly lower marketing loan benefits.

Prices received by farmers for competing crops also are higher than a year ago. However, in contrast to upland cotton, prices for sorghum, corn, wheat, and soybeans are higher than their loan rates and, therefore, producer per-unit revenues are not fully offset by lower marketing loan benefits. Thus, planting incentives for these alternative crops are stronger than a year ago.

Supply response modeling system

To assess the implications for 2003 plantings of upland cotton implied by these market prices and marketing loan benefits for cotton and competing crops, a USDA/ERS acreage response model was used. This modeling system covers eight major field crops and uses net returns as the basis for allocating acreage among cropping alternatives.

The acreage response model incorporates a modified version of the estimated elasticities from Lin et al. Results of that study show that full planting flexibility under the 1996 Farm Act and subsequent farm legislation has allowed farmers to respond to economic incentives in their cropping choices and has resulted in greater acreage-price elasticities than in the past. Summary elasticities used in the acreage response model for upland cotton are shown in table 2, which measure the responsiveness of plantings to prices for upland cotton and competing crops.

Cotton Acreage Surveys

The National Cotton Council released estimates of expected 2003 cotton plantings in early February. These estimates are based on an early-season planting intentions survey of growers taken in late December through January. Survey results indicated U.S. upland cotton plantings of 13.864 million acres and ELS plantings of 184,000 acres, for a total of 14.048 million acres.

The first USDA indicator of U.S. cotton acreage for 2003 will be released by USDA's National Agricultural Statistics Service (NASS) at the end of March in the *Prospective Plantings* report. This report will be based on surveys of farmers' planting intentions in the first half of the month (USDA, NASS).

Table 2

Upland cotton acreage response elasticities

Crop	Elasticity
Own-price effect:	
Upland cotton	+0.466
Competing crops:	
Sorghum	-0.103
Corn	-0.036
Wheat	-0.029
Soybeans	-0.025

2003 upland cotton acreage prospects

Implications suggest a small reduction of about 160,000 acres for plantings of upland cotton in 2003, largely reflecting relatively higher economic incentives for planting competing crops. This can be interpreted as a reduction from a “weather-neutral” and “policy-uncertainty neutral” level of plantings in 2002.

The latest NASS estimate for 2002 upland cotton plantings is 13.719 million acres. This compares with the initial 2002 planting intentions estimate of 14.496 million acres in the NASS *Prospective Plantings* report last March. Weather problems were not a significant factor that interfered with upland cotton plantings in 2002. However, policy uncertainty in the spring of 2002, particularly regarding the potential for changes in payment limitation provisions, may have contributed to some of the reduction in upland cotton plantings from the initial intentions estimate. Assuming that without the policy uncertainty last spring, upland cotton plantings would have been 500,000 acres higher (part, but not all, of the reduction in plantings from intentions to the latest NASS estimate) gives a “policy-uncertainty neutral” level of upland cotton plantings in 2002 of 14.219 million acres. Then, the 160,000 acre reduction in plantings for 2003 implied by market and policy factors puts this year’s projected upland cotton plantings at 14.0 to 14.1 million acres. A reduction in ELS cotton plantings to about 200,000 acres is likely in 2003 due to current low prices. Thus, the overall plantings estimate for all cotton in 2003 is consistent with (and near the middle of) the USDA range for total cotton plantings of 14.0 to 14.5 million acres.

Actual plantings in 2003 could differ from these early-season prospects if economic incentives for planting upland cotton or the major competing crops change before plantings. Also, unusual year-specific events, such as weather problems, could alter plantings prospects, such as occurred in 1998 when wet field conditions related to El Niño contributed to reduced plantings of upland cotton in Western States, particularly in California.

USDA Baseline for Upland Cotton

USDA released its latest 10-year baseline projections in early February. Copies of that report are available at this forum and on the internet (USDA, OCE, 2003a). USDA baseline projections for upland cotton plantings over the next decade are based on the same acreage response modeling system used here for the 2003 projections.

Upland cotton plantings in the baseline are fairly flat within a 13.9 to 14.2 million acre range for the 2004-12 projections. Upland cotton plantings are somewhat higher in 2004-06, as prices for competing crops decline from recent high levels. Upland cotton acreage then falls slightly over the remaining projection years. Domestic mill use of upland cotton declines slowly through the baseline projection period as the apparel industry's demand for fabric and yarn produced in the United States is reduced following the elimination of textile and apparel import quotas originally instituted under the Multi-Fiber Arrangement. Additionally, exports of cotton remain relatively stable in the baseline as foreign competition strengthens and keeps U.S. cotton exports from expanding above the recent 75-year high. Thus, with this relatively weak long-term demand growth setting for cotton, baseline projections for upland cotton plantings largely mirror price movements for competing crops, particularly when cotton prices are in the range where there are marketing loan benefits.

Conclusions

Policy changes of the 2002 Farm Act include changing loan rates and expanding the marketing loan program, adding counter-cyclical payments, and replacing production flexibility contract payments with direct payments. These programs may each affect agricultural commodity markets, although impacts vary due to the degree to which the programs are coupled to farmers' production decisions.

Marketing loans are fully coupled to current production and thus can influence planting choices of farmers, particularly when prices are relatively low. Counter-cyclical payments may influence production choices because of their link to market prices, which can lower risks to producers by reducing the variability of revenues in some price ranges. Direct payments are the least coupled of these programs, but may influence production through wealth and investment effects.

Upland cotton plantings for 2003 are projected at 14.0 to 14.1 million acres, a moderate increase from plantings in 2002 of 13.719 million acres. Upland cotton acreage in 2002 may have been reduced somewhat by policy uncertainties in the spring, particularly regarding potential changes in payment limitation provisions. Without those uncertainties, plantings last year likely would have been higher. For 2003, planting incentives for crops competing with upland cotton are somewhat more favorable than in 2002, lowering expected plantings from last year's adjusted "policy-uncertainty neutral" level. Longer run acreage projections from USDA's baseline indicate upland cotton plantings remaining relatively flat near 14 million acres.

USDA Web Sites for 2002 Farm Act Information

- USDA Farm Act homepage
 - <http://www.usda.gov/farmbill>
- Side by side comparison of 1996 and 2002 Farm Acts, with selected analyses
 - <http://www.ers.usda.gov/features/farmbill>
- Frequently asked questions
 - <http://www.fsa.usda.gov/pas/farmbill/fbfaqhome.asp>
- Economic analysis and impacts of the 2002 Farm Act
 - <http://www.ers.usda.gov/publications/aib778>

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